Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

September 10, 2014

WHAT YOU OWE - CABLE TELEVISION SYSTEMS FOR FY 2014

Each year, the Commission is required to collect regulatory fees. Licensees and regulatees are assessed fees as set forth in *Assessment and Collection of Regulatory Fees for Fiscal Year 2014, Report and Order*, (released August 29, 2014) ("FY 2014 Regulatory Fees, *Report and Order* and *Further Notice of Proposed Rulemaking*"). The Commission also publishes industry-specific guidance in *Who Owes Fees & What Is My FY 2014 Fee*, which can be found on the Commission website at http://www.fcc.gov/regfees.

The Commission's automated filing and payment system ("Fee Filer") is available for <u>filing</u> and <u>viewing</u> of FY 2014 regulatory fees. While FY 2014 regulatory fees will not become effective until the rulemaking is published in the Federal Register, regulatees at their own discretion, may submit payments at any time before the effective due date of FY 2014 regulatory fees. **Regulatory fee payments must be RECEIVED** ¹ by the Commission no later than 11:59 PM, Eastern Daylight Time, on September 23, 2014.

Cable television systems operating on **October 1, 2013** must pay a regulatory fee per subscriber² for all of the community units (CUIDs) in which they operate. The number of basic cable subscribers that were served on **December 31, 2013** should be used as the basis from which to calculate the fee payment. Regulatory fees should be paid with a single line aggregate total in Fee Filer without having to list your individual CUIDs. In FY 2013, the Commission concluded that Internet Protocol TV (IPTV) subscribers should be included in the Cable Television Systems category, and assessed a regulatory fee at the same rate as cable television fees.³ After the requisite congressional notification, the fees for IPTV became effective on June 25, 2014.⁴ In FY 2014 and thereafter, providers of IPTV will be assessed a regulatory fee based on their subscriber count as of **December 31, 2013**.

Cable television system operators and licensees of CARS facilities must pay a regulatory fee if they were operating or held a CARS license on October 1, 2013, even if a facility's license expired after October 1, 2013. In instances where a license or authorization is transferred or assigned after October 1, 2013, the fee must be paid by the party that is the licensee or holder of the authorization on the date that the fee payment is due. When submitting payment, CARS licensees should individually list each of their CARS call signs.

Notice of Billing: CARS licensees will not receive a pre-completed regulatory fee bill (FCC Form 159-B) in

¹ The Commission has instituted a mandatory electronic payment policy, which means that licensees will no longer be able to make regulatory fee payments by check, money order, or cashier's check. Only credit card, ACH, and wire transfer payments will be accepted. Please make sure that your electronic fee payment is made and the transaction is complete by the due date of FY 2014 regulatory fees.

² Number of Subscribers in a Community Unit = Number of single family dwellings + Number of individual households in multiple dwelling units (e.g., apartments, condominiums, mobile home parks, etc.) paying at the basic subscriber rate + Number of bulk-rate customers + Number of courtesy and free service. (NOTE: Bulk-Rate Customers = total annual bulk rate charge ÷ basic annual subscription rate for individual households).

³ See FY 2013 Report and Order, 28 FCC Rcd at 12363, para. 33.

⁴ Per 159 (b)(4)(B).

the mail for their CARS licenses. A regulatory fee bill will be created, but this bill will be available for viewing only by accessing Fee Filer. CARS licensees are also required to make regulatory fee payments for all other non-billed holdings, such as cable systems and other fee services.

TYPE OF FEE	REGULATORY FEE PAYMENT	PAYMENT TYPE CODE
Cable System Subscriber Fee, Including	\$0.99 per subscriber	1471
IPTV Subscribers		
CARS License	\$605 per license	1470

MANDATORY USE OF FEE FILER

The use of the online Fee Filer system for filing regulatory fees has not changed since the process was first initiated in FY 2009: licensees and regulatees must first enter the Commission's Fee Filer system with a valid FRN and password, and follow the online prompts to review their data and submit an electronic fee payment. Use of the online Fee Filer system is mandatory, and payments in the form of checks, money orders, and cashier's checks are no longer accepted. ⁵ A Form 159-E voucher will only be accepted when the regulatee is making a wire transfer payment. Instructions on the use and submission of Form 159-E vouchers are available on the Commission's website.

For wire transfers, a Form 159-E should be transmitted via FAX ((314) 418-4232)) to U.S. Bank so that the Commission can associate the wire payment with the corresponding regulatory fee payment.

LIMITATIONS ON CREDIT CARD TRANSACTIONS

The U.S Treasury will not process credit card transactions greater than \$49,999.99. Treasury Financial Manual (TFM) No. A-2012-02 (February 2012) directs agencies to limit credit card collections amounts not to exceed \$49,999.99. The revised policy, effective June 30, 2012, lowers the maximum dollar amount for a credit card transaction from \$99,999.99 to \$49,999.99, and eliminates the maximum dollar limit for a debit card transaction.

In addition, the U.S. Treasury will reject multiple credit card transactions from a single credit card in a single day that total more than \$49,999.99. The system will also reject transactions charged to a credit card on that day that exceed the total daily dollar limit of \$49,999.99. The FCC policy will conform to the U.S. Treasury policy. Fee payors needing to remit amounts of \$50,000.00 or greater must use alternative methods of payment: debit card, ACH or FedWire. The FCC will post warnings on FCC websites to remind licensees of the U.S. Treasury policy. Additional information can be found at http://www.fcc.gov/regfees.

Regulatory fee payments that exceed the U.S. Treasury limit and are rejected by Treasury, causing a payment not to meet the required payment deadline, will be subject to interest, fees, and a 25% late payment penalty.

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⁵ Payors should note that this change will mean that entities that have previously paid both regulatory fees and application fees at the same time by paper check will no longer be able to do so because regulatory fees payments by paper check will no longer be accepted.